## **Underemployment**

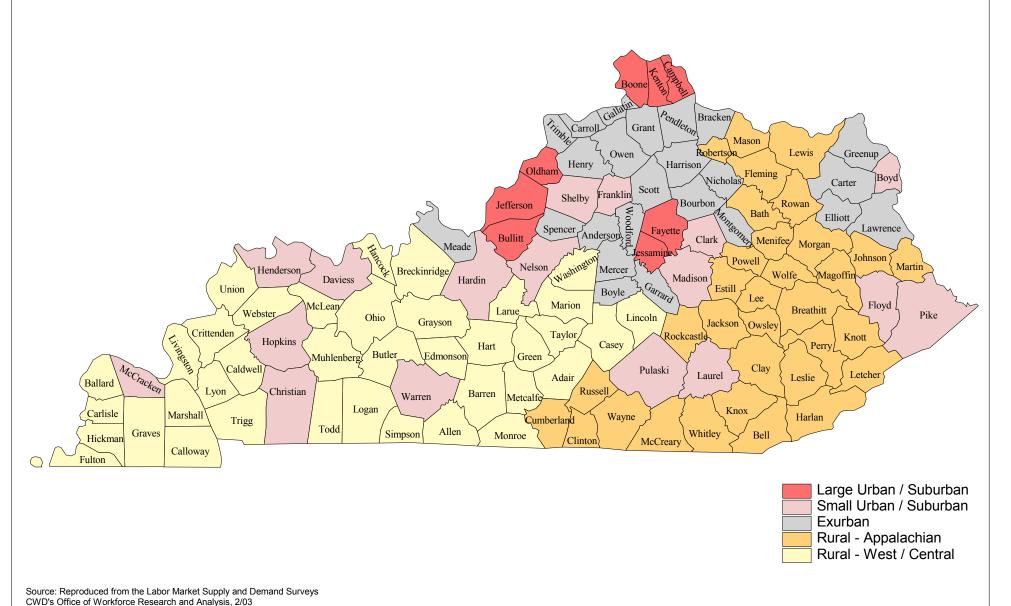
- According to the Kentucky Labor Supply and Demand Surveys conducted by the University of Kentucky and the University of Louisville in 2002, there were 33,862 underemployed persons in the Northern Kentucky WIA (see chart below). Seventeen percent of the labor force was underemployed, mostly due to persons seeking a better job match, though sixteen percent was due to persons seeking full-time work.
- Underemployment was lower in the large urban counties in the Northern Kentucky WIA than in the exurban counties.

|                   | Underemployed<br>Seeking Full Time<br>Work | Underemployed<br>Seeking a Better<br>Job Match | Total Under-<br>employed | % of Labor Force Underemployed | % of Labor Force<br>Under- or<br>Unemployed |
|-------------------|--|--|--------------------------|--------------------------------|---|
| Northern Kentucky | 5,525                                      | 28,337   | 33,862                   | 16.6%                          | 20.4%                                       |
| Boone             | 1,098                                      | 6,160  | 7,258                    | 15.5%                          | 18.6%                                       |
| Campbell          | 1,211                                      | 6,076  | 7,287                    | 16.1%                          | 20.0%                                       |
| Carroll           | 163  | 856  | 1,019                    | 20.7%                          | 27.5%                                       |
| Gallatin          | 112  | 622  | 734                      | 19.5%                          | 23.0%                                       |
| Grant             | 402  | 1,789  | 2,191                    | 19.5%                          | 24.9%                                       |
| Kenton            | 2,150                                      | 10,995   | 13,145                   | 16.4%                          | 19.9%                                       |
| Owen              | 144  | 772  | 916                      | 18.7%                          | 24.0%                                       |
| Pendleton         | 245  | 1,067  | 1,312                    | 18.9%                          | 23.8%                                       |
| Kentucky          | 80,882                                     | 273,823  | 354,705                  | 18.4%                          | 24.1%                                       |

- In large urban counties around Kentucky, the underemployed were
  - o less likely to be married,
  - o more likely to be attending school,
  - o more likely to have some college or to have a baccalaureate degree,
  - o less likely to have an advanced degree,
  - o more likely to be non-white,
  - o disproportionately in the manufacturing industry (though not in production occupations) and office and administrative support occupations
  - o less likely to be in education, legal, and arts occupations than those who were employed but not underemployed.

- o The underemployed were also younger and were paid about \$4.50 an hour less than those who were employed but not underemployed.
- In exurban counties around Kentucky, the underemployed were
  - o less likely to be married,
  - o more likely to be attending school,
  - o more likely to have some college or an associate or vocational degree,
  - o less likely to have a baccalaureate degree or an advanced degree,
  - o more likely to be non-white,
  - o more likely to have a physical limitation or learning disability,
  - o more likely to be in the retail sector,
  - o more likely to be in food, cleaning and personal care occupations,
  - o less likely to be in management, business, and financial or social and protective service occupations,
  - o The underemployed were also younger and were paid \$4.11 an hour less than those who were employed but not underemployed.

## Counties in the Five Supply Side Survey Regions in the Kentucky Labor Supply and Demand Surveys



## Characteristics of the Underemployed and the Employed Who Are Not Underemployed Large Urban

|  | Underemployed | Employed Who Are<br>Not Underemployed |  |
|--|---------------|---------------------------------------|--|
| Community Type   |               |                                       |  |
| Rural Farm   | 4.48%         | 3.76%                                 |  |
| Rural Non-farm   | 2.99%         | 6.07%                                 |  |
| Small Town   | 7.46%         | 9.25%                                 |  |
| Suburb   | 35.82%        | 32.66%                                |  |
| City   | 47.76%        | 47.11%                                |  |
| Don't Know   | 1.49%         | 1.16%                                 |  |
| Average Number of Children Under 18 in Household             | 0.79          | 0.77                                  |  |
| Average Number of Children Under 15 in Household             | 0.61          | 0.62                                  |  |
| Average Number of People Over 65 in the Household            | 0.09          | 0.14                                  |  |
| Average Number of Grandchildren in Household                 | 1.94          | 1.92                                  |  |
| Average Length of Time Responsible for Grandchildren (Years) | 5.00          | 3.44                                  |  |
| Percent Married  | 44.78%        | 63.58%                                |  |
| Percent Currently Attending School                           | 14.93%        | 10.11%                                |  |
| Highest Level of Schooling                                   |               |                                       |  |
| Less than High School  | 5.97%         | 6.66%                                 |  |
| High School Graduate   | 16.42%        | 19.65%                                |  |
| Some College   | 25.38%        | 19.66%                                |  |
| Associates or Vocational Degree                              | 10.45%        | 10.69%                                |  |
| Bachelors Degree   | 34.33%        | 27.17%                                |  |
| Advanced Degree  | 7.46%         | 16.18%                                |  |
| Average Age  | 37.38         | 41.58                                 |  |
| Percent Hispanic   | 0.00%         | 2.02%                                 |  |
| Primary Race Category Selected                               |               |                                       |  |
| White  | 82.09%        | 87.57%                                |  |
| Non-white  | 17.91%        | 11.85%                                |  |
| Refused  | 0.00%         | 0.58%                                 |  |
| Percent with Certain Health Problems                         |               |                                       |  |
| Deafness, Vision, or Hearing Problem                         | 2.99%         | 2.02%                                 |  |
| Physical Limitation  | 7.46%         | 6.36%                                 |  |
| Learning Disability  | 1.49%         | 3.76%                                 |  |
| Percent with Problems Performing a Certain Task              |               |                                       |  |
| Dressing, Bathing, etc.                                      | 1.49%         | 0.87%                                 |  |
| Getting Around Outside the Home                              | 1.49%         | 0.87%                                 |  |
| Working  | 0.00%         | 3.18%                                 |  |

Percent that Work Full-Time or Part-Time

| Full-time  | 86.57%           | 83.24%           |
|--|------------------|------------------|
| Part-time  | 13.43%           | 16.76%           |
| Average Commute Time in Minutes                        | 18.70            | 18.94            |
| Broad Industry Category                                |                  |                  |
| Manufacturing  | 22.39%           | 10.40%           |
| Wholesale  | 0.00%            | 3.76%            |
| Retail   | 11.94%           | 12.43%           |
| Other  | 65.67%           | 73.41%           |
| Class of Employer                                      |                  |                  |
| Private, profit  | 73.13%           | 55.49%           |
| Private, non-profit                                    | 7.46%            | 12.14%           |
| Local Govt.  | 7.46%            | 7.51%            |
| State Govt.  | 4.48%            | 6.65%            |
| Federal Govt.  | 1.49%            | 3.18%            |
| Self Employed, not incorporated                        | 0.00%            | 4.91%            |
| Self Employed, incorporated                            | 1.49%            | 3.18%            |
| Working without pay                                    | 0.00%            | 0.58%            |
| Don't Know   | 4.48%            | 6.36%            |
| Occupation   |                  |                  |
| Management, Business, & Financial                      | 19.40%           | 23.10%           |
| Social & Physical Sciences                             | 7.47%            | 6.72%            |
| Social & Protective Services                           | 1.49%            | 3.50%            |
| Education, Legal, & Arts                               | 2.98%            | 12.29%           |
| Health Care  | 2.99%            | 9.94%            |
| Food, Cleaning, & Personal Care                        | 10.45%           | 6.72%            |
| Sales & Related  | 5.97%            | 7.89%            |
| Office & Administrative Support                        | 29.85%           | 13.45%           |
| Farming, Fishing, & Forestry                           | 0.00%            | 0.29%            |
| Construction and Extraction                            | 0.00%            | 2.92%            |
| Installation, Maintenance, & Repair                    | 5.97%            | 3.51%            |
| Production   | 5.97%            | 4.68%            |
| Transportation & Materials                             | 5.97%            | 4.39%            |
| Other  | 1.49%            | 0.58%            |
|  |                  |                  |
| Benefits at Current Job                                |                  |                  |
| Benefits at Current Job  Percent with Health Insurance | 82.54%           | 85.37%           |
|  | 82.54%<br>74.60% | 85.37%<br>73.81% |

Characteristics of the Underemployed and the Employed Who Are Not Underemployed Exurban

| Community Type   | Underemployed | Employed Who Are<br>Not Underemployed |
|--|---------------|---------------------------------------|
| Rural Farm   | 9.09%         | 23.36%                                |
| Rural Non-farm   | 25.76%        | 16.82%                                |
| Small Town   | 53.03%        | 52.65%                                |
| Suburb   | 9.09%         | 5.92%                                 |
| City   | 1.52%         | 0.93%                                 |
| Don't Know   | 1.52%         | 0.31%                                 |
| Average Number of Children Under 18 in Household             | 0.85          | 0.86                                  |
| Average Number of Children Under 15 in Household             | 0.64          | 0.69                                  |
| Average Number of People Over 65 in the Household            | 0.11          | 0.15                                  |
| Average Number of Grandchildren in Household                 | 1.92          | 1.93                                  |
| Average Length of Time Responsible for Grandchildren (Years) | 3.00          | 3.00                                  |
| Percent Married  | 54.55%        | 69.47%                                |
| Percent Currently Attending School                           | 9.09%         | 4.99%                                 |
| Highest Level of Schooling                                   |               |                                       |
| Less than High School  | 12.14%        | 11.83%                                |
| High School Graduate   | 36.36%        | 32.40%                                |
| Some College   | 27.28%        | 15.27%                                |
| Associates or Vocational Degree                              | 16.67%        | 9.35%                                 |
| Bachelors Degree   | 7.58%         | 19.94%                                |
| Advanced Degree  | 0.00%         | 11.21%                                |
| Average Age  | 36.45         | 44.13                                 |
| Percent Hispanic   | 1.52%         | 0.00%                                 |
| Primary Race Category Selected                               |               |                                       |
| White  | 92.42%        | 95.64%                                |
| Non-white  | 7.58%         | 4.36%                                 |
| Refused  | 0.00%         | 0.00%                                 |
| Percent with Certain Health Problems                         |               |                                       |
| Deafness, Vision, or Hearing Problem                         | 3.03%         | 4.05%                                 |
| Physical Limitation  | 21.21%        | 8.72%                                 |
| Learning Disability  | 10.61%        | 3.43%                                 |
| Percent with Problems Performing a Certain Task              |               |                                       |
| Dressing, Bathing, etc.                                      | 0.00%         | 1.25%                                 |
|  |               |                                       |

| Getting Around Outside the Home          | 1.52%    | 1.56%   |
|--|----------|---------|
| Working                                  | 3.03%    | 3.12%   |
| Percent that Work Full-Time or Part-Time |          |         |
| Full-time                                | 86.36%   | 88.47%  |
| Part-time                                | 13.64%   | 11.53%  |
| i artuile                                | 13.04 /0 | 11.5570 |
| Average Commute Time in Minutes          | 25.43    | 23.54   |
| Broad Industry Category                  |          |         |
| Manufacturing                            | 22.73%   | 18.69%  |
| Wholesale                                | 3.03%    | 2.18%   |
| Retail                                   | 18.18%   | 10.59%  |
| Other                                    | 56.06%   | 68.54%  |
| Class of Employer                        |          |         |
| Private, profit                          | 69.70%   | 52.02%  |
| Private, non-profit                      | 7.58%    | 11.84%  |
| Local Govt.                              | 1.52%    | 6.54%   |
| State Govt.                              | 6.06%    | 11.53%  |
| Federal Govt.                            | 1.52%    | 3.43%   |
| Self Employed, not incorporated          | 4.55%    | 9.03%   |
| Self Employed, incorporated              | 1.52%    | 1.87%   |
| Working without pay                      | 0.00%    | 0.31%   |
| Don't Know                               | 7.58%    | 3.43%   |
| Occupation                               |          |         |
| Management, Business, & Financial        | 7.58%    | 15.19%  |
| Social & Physical Sciences               | 4.55%    | 6.34%   |
| Social & Protective Services             | 1.52%    | 5.06%   |
| Education, Legal, & Arts                 | 0.00%    | 9.49%   |
| Health Care                              | 9.09%    | 11.71%  |
| Food, Cleaning, & Personal Care          | 13.64%   | 6.97%   |
| Sales & Related                          | 9.09%    | 6.96%   |
| Office & Administrative Support          | 16.67%   | 11.39%  |
| Farming, Fishing, & Forestry             | 3.03%    | 2.53%   |
| Construction and Extraction              | 9.09%    | 3.16%   |
| Installation, Maintenance, & Repair      | 3.03%    | 3.80%   |
| Production                               | 12.12%   | 11.08%  |
| Transportation & Materials               | 10.61%   | 6.01%   |
| Other                                    | 0.00%    | 0.32%   |
| Benefits at Current Job                  |          |         |
| Percent with Health Insurance            | 70.18%   | 81.02%  |
| Percent with Retirement Benefits         | 52.63%   | 74.09%  |
|  |          |         |

|  | Large<br>Urban | Small<br>Urban | Exurban      | Rural<br>Appalachia | Rural<br>West   |
|--|----------------|----------------|--------------|---------------------|-----------------|
| Percent of Workers Underemployed   | 16.3%          | 19.3%          | 17.5%        | 20.5%               | 15.2%           |
| Percent of Male Workers Underemployed  | 17.8%          | 16.5%          | 18.7%        | 22.3%               | 13.8%           |
| Percent of Female Workers Underemployed  | 15.2%          | 22.0%          | 16.1%        | 18.9%               | 16.7%           |
| Percent of Part-time Workers Wanting a Full-time Job   | 13.6%          | 32.0%          | 19.6%        | 40.0%               | 18.9%           |
| Reason for not Wanting Full-time Job   |                | 22 72/         | 10.70        | 40.70/              | 10.00/          |
| Child Care Problems  | 14.0%          | 23.5%          | 13.5%        | 18.5%               | 16.3%           |
| Family/Personal Obligations  | 17.5%          | 23.5%          | 24.3%        | 29.6%               | 16.3%           |
| Health/Medical Limitations   | 7.0%           | 2.0%           | 5.4%         | 7.4%                | 11.6%           |
| School/Training  | 31.6%          | 19.6%          | 18.9%        | 18.5%               | 27.9%           |
| Retired/Social Security Limitations Full-time Workweek<35 Hours                                      | 12.3%          | 15.7%          | 24.3%        | 14.8%               | 14.0%           |
| Don't Know   | 5.3%           | 9.8%           | 8.1%         | 3.7%                | 2.3%            |
| Refused  | 10.5%<br>1.8%  | 3.9%<br>2.0%   | 5.4%<br>0.0% | 7.4%<br>0.0%        | 11.6%           |
| Reiuseu  | 1.070          | 2.0%           | 0.0%         | 0.0%                | 0.0%            |
| Percent of Full-time Workers Overqualified, i.e., More Training or Experience than Necessary for Job | 28.1%          | 31.1%          | 33.8%        | 29.3%               | 26.3%           |
| Percent Who Are Overqualified By Choice  | 39.6%          | 47.1%          | 48.6%        | 40.7%               | 44.6%           |
| Reasons for Being Involuntarily Overqualified  |                |                |              |                     |                 |
| Child/Dependent Care   | 11.9%          | 16.7%          | 20.3%        | 29.2%               | 26.1%           |
| Lack of Transportation   | 1.7%           | 3.7%           | 5.1%         | 2.1%                | 4.4%            |
| Geographic Location  | 25.4%          | 46.3%          | 47.5%        | 56.3%               | 58.7%           |
| Lack of Job Opportunities  | 74.6%          | 92.6%          | 86.4%        | 91.7%               | 93.5%           |
| Low Wages at Available Jobs  | 57.6%          | 72.2%          | 61.0%        | 79.2%               | 78.3%           |
| Disability   | 3.4%           | 9.3%           | 6.8%         | 2.1%                | 2.2%            |
| Lack of Support from Family  | 6.8%           | 11.1%          | 11.9%        | 8.3%                | 4.4%            |
| Percent of Underemployed Who Believe that Skills, Education, Exp., etc. Fit Well with Current Job    | 67.7%          | 74.0%          | 68.2%        | 58.5%               | 63.6%           |
| Percent of Underemployed Who Believe They Should have a Better Job                                   | 84.8%          | 94.9%          | 95.4%        | 90.8%               | 92.8%           |
| Percent of Underemployed Who Believe They Are Qualified for Better Job                               | 92.5%          | 96.1%          | 95.4%        | 95.3%               | 94.6%           |
| Reasons Given by Underemployed for Being Qualified for Better  |                |                |              |                     |                 |
| Job Percent Qualified Because of Education   | 93.4%          | 72.0%          | 75.8%        | 77.0%               | 69.8%           |
| Percent Qualified Because of Skills  | 90.3%          | 96.0%          | 96.8%        | 93.4%               | 98.1%           |
| Percent Qualified Because of Experience  | 87.1%          | 88.0%          | 95.1%        | 83.6%               | 96.2%           |
| Percent Qualified Because of Training  | 79.0%          | 84.0%          | 91.9%        | 81.9%               | 96.2%           |
| . 5.55 Qualified Bookdoo of Frailing   | . 5.0 /0       | 3 1.0 /0       | 31.070       | 31.370              | 00. <u>~</u> /0 |
| Percent of Underemployed Who Believe They are Appropriately Compensated                              | 41.8%          | 50.0%          | 41.5%        | 44.6%               | 55.3%           |

## Detailed Information on the Underemployed

|  | Large<br>Urban | Small<br>Urban | Exurban  | Rural<br>Appalachia | Rural<br>West |
|--|----------------|----------------|----------|---------------------|---------------|
| Average Hourly Wage Underemployed Believe They Would be Paid in a Job that Matched Their Skills, Education, and Experience                                       | \$ 17.34       | \$ 11.21       | \$ 14.97 | \$ 12.71            | \$ 12.78      |
| Percent of Underemployed Attempting to Improve Skills and Training   | 67.2%          | 60.2%          | 62.1%    | 61.5%               | 58.9%         |
| Percent of Employers of Underemployed Offering Tuition Assistance  | 44.6%          | 51.3%          | 39.1%    | 25.4%               | 37.5%         |
| Percent of Underemployed Who Believe They Could Find a<br>Better Fitting Job in 3 Months if They Were Willing to Relocate or<br>Commute within a 200 Mile Region | 68.2%          | 71.0%          | 73.4%    | 61.3%               | 59.4%         |